

this field experience has developed what is practically a new monetary system and has established new principles to govern the issue and distribution of money. The gold exchange system, inaugurated with halting stops in British India in 1893, has been adopted with various modifications in other countries and has stood unshaken the test of a crisis in the world's markets and a local crisis in production in India. Those events it has seemed the legitimate function of this work to set forth.

Owing to the importance of the events of the past dozen years, and the increased space given to the banking systems of Mexico and the Orient, it has seemed advisable to confine the scope of this work to narration. To this end there have been eliminated the three chapters on banking theory which appeared in the earlier editions: "The Theory of a Banking Currency," "Crises and Their Causes/" and "The Advantages of a Banking Currency." A more nearly complete and satisfactory presentation of the author's views on monetary and banking theory will be found in the separate work in two volumes on *The Principles of Money and Banking*•, published in 1905, and issued on the continent of Europe in the French translation of Dr. Raphael Georges-I/evy.

In sending forth this work again to the public in a condition abreast with recent monetary history, the author can only renew the hope that it will contribute in some degree to the diffusion of those sound views of banking whose adoption into law is essential to the economic progress of our country.

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NEW YORK, *February* i, 1909.